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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 25, 2014

Kyle Kimmerle
Kimmerle Mining LLC
2056 Simpatica Court
Moab, Utah 84532

Subject: Rescission of Directive to Reclaim, Notice of Suspension Required; Kyle Kimmerle; Neighbor Mine; S/037/0119; San Juan County, Utah

Dear Mr. Kimmerle:

On December 3, 2013, the Division of Oil, Gas and Mining issued a directive that you reclaim the referenced mine due to insufficient bond and suspension of operations over five years. The Division has now received adequate surety, so the Division rescinds its requirement that the mine be reclaimed.

As stated in rule R647-3-113 (4), the mine operator is required to provide notice of termination or suspension of operation expected to exceed five years. Since suspension of operations has already exceeded five years, you are required to provide a notice of suspension of operations to the Division by May 31, 2014. The Division will be required to conduct an inspection of the site within 30 days of receipt of the notice.

In addition, R647-3-113 (5) states: "*The Division will require complete reclamation of the mine site when the suspension period exceeds 10 years, unless the operator appeals to the Board prior to the expiration of the 10-year period and shows good cause for a longer suspension period.*" According to Division records, there has been no production at the Neighbor Mine since the NOI was determined complete in 2005. Therefore, be advised that with no ore production and/or sales and unclear prospects for uranium price recovery to provide economic incentive to resume production, the Division may still require full reclamation by the end of 2015 unless you appeal to the Board of Oil, Gas and Mining and the Board grants approval for a longer suspension period.

Please contact Mike Bradley at 801-538-5332, or me at 801-538-5261 if you have questions or concerns about this letter. Thank you for your cooperation.

Sincerely,

Paul Baker
Minerals Mining Manager
Minerals Regulatory Program

PB:mpb:eb

cc: Ted McDougall, BLM Monticello FO (tmcdouga@blm.gov)
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